

Part 1 – Agency Profile

Agency Overview

In 1974, the Idaho Legislature passed the Correctional Industries Act creating Idaho Correctional Industries (ICI) as a financially self-sustaining organization. This act empowered the Idaho Board of Correction as the governing body over ICI. Currently, the Idaho Department of Correction supervises ICI with major program approval by the Board of Correction.

ICI management team is comprised of business and manufacturing professionals experienced in product design, vocational training, manufacturing, marketing and sales. This expertise is the foundation of developing inmate-training programs that produce products that can be sold in the markets specified in the state legislation. The core management team consists of the General Manager, Marketing & Sales Manager, Production Manager, Controller, and Materials Manager.

ICI goal is to provide incarcerated inmates with job training and work experience by employing them in a realistic work environment that teaches work ethics and skills that will increase their chance for successful transition as a productive member of society. The management group and a staff of twenty-seven highly skilled professionals work as a team to accomplish this goal.

The state legislation mandates ICI to be financially self-funded with no annual appropriation from the General Fund. The legislation requires ICI to generate operating funds through the sales of manufactured goods or services. This mandate saves tax dollars and enables the State to provide cost effective occupational training to the inmates of the Department of Correction.

The state legislation specifies the markets that are eligible to purchase ICI products. The markets include state and local government organizations, non-profit organizations, private sector wholesalers and retailers within the State of Idaho. ICI marketing efforts are focused primarily on the government sector. Examples of government sector customers/supporters of ICI programs include the Department of Transportation, Department of Education, Department of Correction, Boise State University, and College of Southern Idaho. The product requirements of these types of customers determine inmate training programs and manufacturing processes.

Success of this agency is predicated on the continued support of our customers. To a large extent, our customer spending plans are influenced by state and regional economic conditions. A vibrant economy is necessary for ICI to successfully achieve their stated goals and objectives of financial self-sufficiency, development and implementation of inmate vocational training programs and inmate work place skills training. Downturns in the economy negatively impact local and state government ability to fund services. During these periods agencies reprioritize budget spending plans to pay for baseline services. As this happens there are fewer dollars available to purchase products from ICI resulting in fewer employment and training opportunities for inmates.

Core Functions/Idaho Code

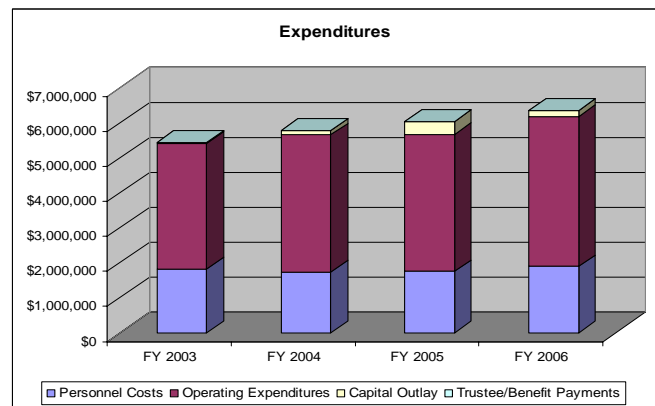
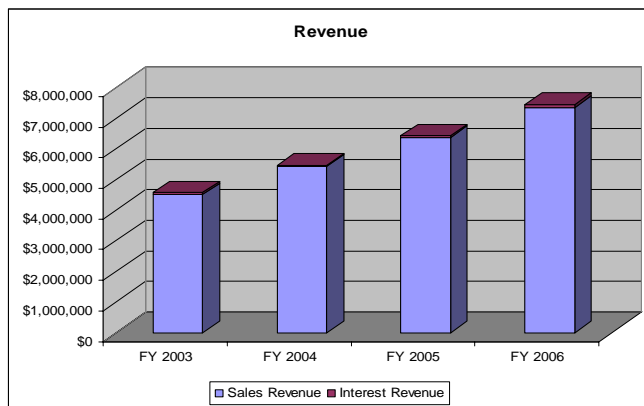
The authority of ICI is found in Idaho Code, Chapter 4, Title 20. ICI is organized to reduce inmate idleness, provide work opportunities for incarcerated persons and to develop positive work attitudes and worker job skills. ICI three-fold mission statement elaborates on the core functions.

1. To decrease idleness by employing inmates through safe, productive, and rehabilitative training and employment enterprises, which teach valuable job seeking and job keeping skills;
2. To reduce the tax burden of corrections by promoting positive inmate behavior while incarcerated, reduce the recidivism rate, operate a non-tax funded self-sufficient program and offer outstanding value to customers;
3. To produce and market modern, cost-effective, quality products and services at competitive prices to meet the needs of the authorized markets.

ICI's success in meeting the goals and objectives of the core functions can be measured by sales revenue, net income and inmate employment levels. The following table and graphs highlight ICI performance over the last four years.

Revenue and Expenditures

Revenue	FY 2003	FY 2004	FY 2005	FY 2006
Sales Revenue	\$4,507,739	\$5,429,806	\$6,368,603	\$7,344,031
Interest Revenue	\$63,780	\$30,887	\$56,643	\$102,386
Total	\$4,571,519	\$5,460,693	\$6,425,246	\$7,446,417
Expenditure	FY 2003	FY 2004	FY 2005	FY 2006
Personnel Costs	\$1,818,401	\$1,735,281	\$1,750,381	\$1,888,165
Operating Expenditures	\$3,593,638	\$3,916,184	\$3,917,767	\$4,286,252
Capital Outlay	\$31,527	\$132,300	\$367,924	\$164,078
Trustee/Benefit Payments	\$0	\$0	\$0	\$0
Total	\$6,822,600	\$5,783,765	\$6,036,072	\$6,338,495



Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2003	FY 2004	FY 2005	FY 2006
Average Monthly Inmate Employment Numbers				
Traditional Industries Programs	281	258	258	251
Prison Industry Enhancement Program	179	195	187	208
Average Monthly Inmate Employment	460	453	445	459

Performance Highlights

ICI participated in many large projects throughout the state during Fiscal Year 2006. Several of the projects provide opportunities to develop new products and enhance inmate skills. Examples of these products include the following:

1. Cabinetry
2. Modular Office Furniture
3. Library Bookcases and Study Centers

Part II – Performance Measures

Performance Measure	2003	2004	2005	2006	Benchmark
1. Inmate Employ/Training Positions	N/A	N/A	203	197	FY07 216
2. Manufactured Product Sales Revenue	N/A	N/A	\$5,510,977	\$5,934,290	FY07 \$6,044,500
3. Annual Sales Per Inmate Employment/Training Position	N/A	N/A	\$27,148	\$30,123	FY07 \$27,984

Performance Measure Explanatory Note:

- 1) The Inmate Job/Training Positions have been adjusted (reduced) for discontinuation of the Garment Shop (FY05 & FY06).
- 2) Manufactured Product Sales Revenue was adjusted (reduced) for discontinuation of the Garment Shop (FY05 & FY06).
- 3) FY06 Annual Sales per Inmate Job/Training Position increase due to a 16% increase in demand for license plates.

For More Information Contact

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